Revival of Powerlooms

1536. SHRI RAJKUMAR DHOOT: Will the Minister of TEXTILES be pleased to state:

(a) whether it is fact that many powerlooms in the country have closed down during the last two years;

(b) if so, the details thereof;

(c) the number of labour force affected by the closure of the powerlooms; and

(d) the steps taken to revive powerlooms and to rehabilitate laid off workers?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL): (a) to (c) As per statistics on installation collected, it is seen that the size of the powerloom industry has grown in the last two years from 16,29,853 in 1999-2000 to 16,66,033 in 2001-2002. Thus employment in the sector would not have decreased.

(d) Government has taken several initiatives to facilitate growth of the decentralized powerloom industry. These include:

(i) A programme for induction of 50,000 shuttleless and for 2.50 lakh semi automatic and automatic looms in the decentralised powerloom sector has been announced. Incentives are available under the Technology Upgradation Fund Scheme where the powerloom owner can either avail 12% upfront Capital Linked Subsidy or reduce cost of borrowing the capital by interest reimbursement of 5%;

(ii) Forty-four Powerloom Service Centres (PSCs), established to provide services, such as designs, training, skill upgradation and the testing facilities to the powerloom weavers, are being upgraded equipped with modern looms so as to upgrade the skills of powerloom weavers. Government has approved an outlay of Rs. 36 crores for the Tenth Plan towards modernization and strengthening of PSCs;

(iii) Seventeen Computer Aided Design Centres in Powerloom Service Centres have been established to facilitate the creation of new designs, and improve design and production;

(iv) Powerloom Export Entitlement (PEE) quota has been provided to encourage powerloom exports; and

(v) In addition a welfare scheme for Insurance is being implemented.

Incentive to Textile Sector

1537. SHRI RUMANDLA RAAMACHANDRAYYA: Will the Minister of TEXTILES be pleased to state:

(a) whether the Textile Ministry was considering incentives to the textile sector and has submitted to Finance Ministry its proposals to protect the interest of the entire sector;

(b) if so, the details thereof;

(c) whether the Ministry's plan has been accepted by the Finance Ministry;

(d) if so, whether the Ministry has also taken into consideration the Kelkar Task Force's recommendations suggesting uniform duties of 12 to 16 per cent on textiles items by 2004-2005 and lifting some of the exemptions; and

(e) if so, the reaction of the Ministry on this report?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL): (a) to (e) Ministry of Textiles makes recommendations annually to Ministry of Finance in respect of the duty and tariff structure, keeping in view the need to promote investment and growth in the textile sector and a harmonious balance among various segments and stages of the value chain. In finalising its recommendations, the Ministry takes into consideration the views of industry associations, federations, councils, etc. and other inputs, such as, this year, the recommendation made by the Task Force set up under the Chairmanship of Shri Kelkar. These recommendations have been used as sinputs in formulation of Budget proposals.